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UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE BOARD OF PATENT APPEALS  
AND INTERFERENCES

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*Ex parte* WALTER L. RAINES

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Appeal 2009-013706  
Application 10/628,819  
Technology Center 3600

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Before HUBERT C. LORIN, JOSEPH A. FISCHETTI, and  
KEVIN F. TURNER, *Administrative Patent Judges*.

TURNER, *Administrative Patent Judge*.

DECISION ON APPEAL<sup>1</sup>

STATEMENT OF CASE

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<sup>1</sup> The two-month time period for filing an appeal or commencing a civil action, as recited in 37 C.F.R. § 1.304, or for filing a request for rehearing, as recited in 37 C.F.R. § 41.52, begins to run from the “MAIL DATE” (paper delivery mode) or the “NOTIFICATION DATE” (electronic delivery mode) shown on the PTOL-90A cover letter attached to this decision.

Appellant seeks our review under 35 U.S.C. § 134 of the final rejection of claims 1-12 and 15-21. Claims 22-24 are withdrawn. We have jurisdiction under 35 U.S.C. § 6(b).

Additionally, a continuation application 11/120,811, of the present Application, is currently on appeal, Appeal No. 2009-012327, and is being concurrently decided.

### SUMMARY OF THE DECISION

We AFFIRM-IN-PART.<sup>2</sup>

### THE INVENTION

Appellant's claimed invention relates to a system and method for retrieving a copy of an original receipt by merchants to avoid chargebacks on legitimate sales. (Abs.)

Independent claim 1, which is deemed to be representative, reads as follows:

1. A computer implemented method for processing a plurality of credit card financial transactions by a plurality of purchasers, comprising:  
producing a plurality of paper receipts related to said plurality of credit card financial transactions such that each of said plurality of paper receipts comprise machine-readable data and separately located human-readable text which identify each of said plurality of

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<sup>2</sup> Our decision will make reference to the Appellant's Appeal Brief ("App. Br.," filed Jul. 18, 2006) and Reply Briefs ("1<sup>st</sup> Reply Br.," filed Jan. 25, 2007 and "2<sup>nd</sup> Reply Br.," filed Jul. 2, 2008), and the Examiner's Answers ("Ans.," mailed Nov. 30, 2006 and "Subsequent Ans.," mailed Apr. 3, 2008).

credit card financial transactions, said machine-readable data comprises at least a credit card number, an amount of purchase, and a date of purchase, said human-readable text comprises at least said amount of purchase and said date of purchase, each of said plurality of paper receipts comprises an endorsement by a respective of said plurality of purchasers to confirm each of said plurality of credit card financial transactions;

optically scanning each of said plurality of paper receipts for producing an electronic representation of each of said plurality of paper receipts including said endorsement and for reading said machine-readable data on said paper receipt such that said machine-readable data is recognized; and

electronically storing said electronic representation of said paper receipt utilizing said recognized machine-readable data so as to be organized for said electronic retrieval based on said machine-readable data.

### THE REJECTION

The prior art relied upon by the Examiner in rejecting the claims on appeal is:

Ballard	6,032,137	Feb. 29, 2000
Cruse et al.	2002/0010659 A1	Jan. 24, 2002

The Examiner rejected claims 1, 5, 16, 18, and 21 under 35 U.S.C. § 102(b) as being anticipated by Ballard. Additionally, the Examiner rejected claims 2-4, 6-12, 15, 17, and 19-20 under 35 U.S.C. § 103(a) as being obvious over Ballard and Cruse.<sup>3</sup>

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<sup>3</sup> Appellant improperly refers to this 35 U.S.C. § 103(a) rejection as being anticipated rather than obvious and also improperly refer to claims 2-4, 6-15, 17, and 19-20 rather than claims 2-4, 6-12, 15, 17, and 19-20 in Appellant's

## ISSUES

With respect to independent claims 1 and 16, Appellant argues *inter alia*, that Ballard does not disclose a printer which produces paper receipts related to credit card financial transactions comprised of machine-readable data and separately located human readable text wherein “the machine-readable data comprises at least a credit card number, an amount of purchase, and a date of purchase,” as generally recited by independent claims 1 and 16. (App. Br. 14; *see also* 2<sup>nd</sup> Reply Br. 2.) Additionally, with respect to independent claims 7 and 12, Appellant generally argues that the combination of Ballard and Cruse fails to teach or suggest the limitations of claims 7 and 12. (App. Br. 29.) Specifically, Appellant argues that Cruse is non-analogous art when compared with claimed invention. In making this argument, the Appellant argues “Cruse is not (1) in the field of the inventor’s endeavor and (2) is not reasonably pertinent to the particular problem with which the inventor was involved.” (App. Br. 29.)

In response, the Examiner found that Ballard discloses all of the limitations recited in independent claims 1 and 16. (Ans. 3-4). Additionally, with respect to independent claims 7 and 12, the Examiner concluded that the combination of Ballard and Cruse makes obvious the subject matter recited by independent claims 7 and 12. (Ans. 5-6).

Only those arguments actually made by Appellant have been considered in this decision. Arguments which Appellant could have made

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Appeal Brief. (App. Br. 13). These deficiencies were remedied in Appellant’s 2<sup>nd</sup> Reply Brief. (2<sup>nd</sup> Reply Br. 2.)

but chose not to make in the Briefs have not been considered and are deemed to be waived. *See* 37 C.F.R. § 41.37(c)(1)(vii).

Thus, the issues arising from the respective positions of Appellant and the Examiner are:

1. Did the Examiner err in finding that Ballard discloses machine-readable data comprising “at least a credit card number, an amount of purchase, and a date of purchase,” as recited by the system and method of claims 1 and 16 under 35 U.S.C. § 102(b)?

2. Does Cruse cure the deficiencies of Ballard under 35 U.S.C. § 103(a), as rejected in claims 2-6, 17, 19, and 20?

3. Did the Examiner err in combining Ballard and Cruse to teach or suggest the limitations of claims 7-12 and 15 under 35 U.S.C. § 103(a)?

### FINDINGS OF FACT

The record supports the following findings of fact (FF) by at least a preponderance of the evidence. *In re Caveney*, 761 F.2d 671, 674 (Fed. Cir. 1985) (explaining the general evidentiary standard for proceedings before the Office).

#### *Ballard*

B1. Ballard is directed to a system for remote data acquisition, and centralized processing and storage associated with different applications including sale, business, banking and general consumer transactions. (Abs.)

B2. Ballard describes that in addition to scanning images and text, the DAT scanner 202 also scans DataGlyph™ elements which represent digital

information with machine readable data which are encoded into many, tiny, individual glyph elements. (Col. 5, l. 64 – Col. 6, l. 2.)

B3. Ballard describes that the use of glyph technology in its system improves the accuracy, cost and performance of the system and includes error correction codes which can be referenced to correct scanning errors or to correct damage to the document caused by ink spills or ordinary wear. (Col. 6, ll. 13-22.)

B4. Ballard additionally describes that the DataGlyph™ information could identify the location of a signature on the receipt. (Col. 11, ll. 6-9.)

B5. Ballard describes that the receipt depicted in figure 3B can also contain a signature which can be captured by a scanner. (Col. 11, ll. 7-9.)

B6. Figure 3B of Ballard depicts a paper receipt from a credit card financial transaction which includes *inter alia*, purchased item data 376. (Col. 9, ll. 54-63; *see also* Fig. 3B.)

### *Cruse*

C1. Cruse is directed to a web-based inventory management system which maintains a central database repository. (Abs.)

C2. Cruse's system enables customers to view their orders, receipts, parts and other data from the proprietor's web site (e.g., using a browser). Additionally, customers are able to update their scanned orders and receipts that are in error, generate bar code labels, and view/print reports. (§ [0060].)

## PRINCIPLES OF LAW

### *Anticipation*

“A claim is anticipated only if each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference.” *Verdegaal Bros., Inc. v. Union Oil Co.*, 814 F.2d 628, 631 (Fed. Cir. 1987).

### *Obviousness*

“Section 103 forbids issuance of a patent when ‘the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains.’” *KSR Int’l Co. v. Teleflex Inc.*, 550 U.S. 398, 406 (2007). The question of obviousness is resolved on the basis of underlying factual determinations including (1) the scope and content of the prior art, (2) any differences between the claimed subject matter and the prior art, (3) the level of skill in the art, and (4) where in evidence, so-called secondary considerations. *Graham v. John Deere Co.*, 383 U.S. 1, 17-18 (1966); *see also KSR*, 550 U.S. at 407 (“While the sequence of these questions might be reordered in any particular case, the [*Graham*] factors continue to define the inquiry that controls.”)



## ANALYSIS

### ISSUE 1

*Claims 1, 5, 16, 18, and 21 rejected under 35 U.S.C. § 102(b) as anticipated by Ballard.*

#### *Independent claims 1 and 16*

Appellant argues *inter alia*, that Ballard does not disclose a printer which produces paper receipts related to credit card financial transactions comprised of machine-readable data and separately located human readable text wherein the “machine-readable data comprises at least a credit card number, an amount of purchase, and a date of purchase,” as generally recited by independent claims 1 and 16. (App. Br. 14.) Specifically, Appellant argues that while the Dataglyphs™ disclosed by Ballard are machine-readable data, the DataGlyphs™ do not include “at least a credit card number, an amount of purchase, and a date of purchase,” as required by the system and method of claims 1 and 16. (2<sup>nd</sup> Reply Br. 2-4.) In response, the Examiner finds that the receipt depicted in figure 3B of “Ballard discloses each of a plurality of receipts comprising machine-readable data compris[ing] at least a credit card number, an amount of purchase, and a date of purchase.” (Ans. 7.) We cannot agree.

While we agree with the Examiner that Ballard teaches machine-readable data, specifically, a DataGlyph™ (FF B2), we cannot agree with the Examiner that Ballard’s DataGlyph™ discloses machine-readable data comprising “at least a credit card number, an amount of purchase, and a date of purchase,” as required by Appellant’s claims. Instead, we find that Ballard describes its DataGlyphs™ contain error correction codes and

formatting information (FF B3, B4.) As such, we find that Ballard fails to disclose the machine-readable data required to anticipate independent claims 1 and 16. We also do not find any basis for believing that these machine-readable data are disclosed inherently in Ballard. Thus, we agree with Appellant's argument that Ballard fails to disclose at least "machine-readable data compris[ing] at least a credit card number, an amount of purchase, and a date of purchase," as required by independent claims 1 and 16.

Accordingly, we conclude that Appellant has shown that the Examiner erred in rejecting claims 1 and 16 under 35 U.S.C. § 102(b) as being anticipated by Ballard. As such, we find that the rejections of claims 5, 18, and 21 which depend from claims 1 and 16, respectively were also made in error for the same reasons discussed *supra*.

## ISSUE 2

*Dependent claims 2-6, 17, 19, and 20 rejected under 35 U.S.C. § 103(a) as being obvious over Ballard and Cruse.*

As discussed *supra*, Appellant has shown that the Examiner erred in rejecting independent claims 1 and 16 under 35 U.S.C. § 102(b) as anticipated by Ballard. The addition of Cruse does not cure the deficiencies of Ballard, and, as such, we find that the rejections of claims 2-6, 17, 19, and 20, which depend from claims 1 and 16 respectively, were also made in error for the same reasons discussed *supra*.

## ISSUE 3

*Claims 7-12 and 15 rejected under 35 U.S.C. § 103(a) as being obvious over  
Ballard and Cruse.*

*Independent Claims 7 and 12*

Appellant generally argues that the combination of Ballard and Cruse fails to teach or suggests the limitations of claims 7 and 12. (App. Br. 29.) Specifically, Appellant argues that Cruse is non-analogous art. In making this argument, the Appellant argues “Cruse is not (1) in the field of the inventor’s endeavor and (2) is not reasonably pertinent to the particular problem with which the inventor was involved.” (App. Br. 29.) We cannot agree.

As an initial matter, independent claims 7 and 12 do not recite the requirements for the machine-readable data recited by independent claims 1 and 16. Rather, independent claim 7 requires “a plurality of receipts . . . compris[ing] an endorsement,” which we find that Ballard clearly teaches. (FF B5.) Similarly, independent claim 12 recites “receipt data . . . comprising underlying items purchased,” which we find Ballard also teaches. (FF B6.) Additionally, we find that the remainder of independent claims 7 and 12 generally recite a web site for providing a viewable copy of the receipt required by the claims, which the Examiner relied on Cruse to teach. (Ans. 6.) Specifically, the Examiner found that Cruse teaches a web-based inventory management system which enables customers to view their receipts on a web site. (FF C1, C2.) Thus, we find that the combination of Ballard and Cruse teaches or suggests the limitations recited by independent claims 7 and 12.

With respect to Appellant's argument that Ballard and Cruse are nonanalogous, we also cannot agree. Whether a reference is analogous art is part of the analysis of the scope and content of the prior art in the obviousness determination. *See Heidelberg Druckmaschinen AG v. Hantscho Commercial Prods. Inc.*, 21 F.3d 1068, 1071 (Fed. Cir. 1994).

The analogous-art test requires that the Board show that a reference is either in the field of the applicant's endeavor or is reasonably pertinent to the problem with which the inventor was concerned in order to rely on that reference as a basis for rejection. References are selected as being reasonably pertinent to the problem based on the judgment of a person having ordinary skill in the art.

*In re Kahn*, 441 F.3d 977, 986-87 (Fed. Cir. 2006) (Internal citations omitted).

A reference is reasonably pertinent if, even though it may be in a different field of endeavor, it logically would have recommended itself to an inventor's attention in considering his problem because of the matter with which it deals. *In re Clay*, 966 F.2d 656, 659 (Fed. Cir. 1992). Ballard and Cruse are reasonably pertinent to the problem with which the Appellant is concerned because they address the question of making financial transaction data available in an electronic format. (FF B2, C2). While the Appellant may be correct that "Cruse is not even aware of the problem of chargebacks," (App. Br. 36), this alone is not dispositive. Instead, we find that one skilled in the art would appreciate from Cruse's disclosure the ability to provide customers with views of their receipts through a web site. (FF C2). Therefore, we find that one of ordinary skill in the art would have

been led by Ballard and Cruse to the invention of independent claims 7 and 12.

Further, to the extent Appellant seeks an explicit suggestion or motivation in the reference itself, this is no longer the law in view of the Supreme Court's holding in *KSR*, 550 U.S. at 418. The Examiner has provided an articulated reasoning with rational underpinning for why a person with ordinary skill in the art would modify the remote data acquisition and centralized processing and storage system of Ballard to incorporate Cruse's system which includes a web site for allowing customers to view receipts online. (FF B1, C2). Specifically, the Examiner articulates a rationale based on allowing users an alternative means to access a copy of their paper receipt online. (Ans. 7). Accordingly, we find no error in the combination of Ballard and Cruse with respect to independent claims 7 and 12.

*Dependent claims 8-11 and 15*

Appellant does not separately argue claims 8-11 and 15, which depend from claims 7 and 12, respectively, and so has not shown that the Examiner erred in rejecting claims 8-11 and 15 under 35 U.S.C. § 103(a) as being unpatentable over Ballard and Cruse for the same reasons we found as to claims 7 and 12, *supra*.

CONCLUSIONS OF LAW

1. We conclude that the Examiner erred in finding that Ballard discloses machine-readable data comprising "at least a credit card number,

an amount of purchase, and a date of purchase,” as required by the system and method of claims 1 and 16 under 35 U.S.C. § 102(b).

2. We conclude that Cruse fails to cure the deficiencies of Ballard under 35 U.S.C. § 103(a), as rejected in claims 2-6, 17, 19, and 20.

3. We conclude that the Examiner did not err in combining Ballard and Cruse to teach or suggest the limitations of claims 7-12 and 15 under 35 U.S.C. § 103(a).

#### DECISION

The decision of the Examiner to reject claims 1-6 and 16-21 is REVERSED. The decision of the Examiner to reject claims 7-12 and 15 is AFFIRMED.

No time period for taking any subsequent action in connection with this appeal may be extended under 37 C.F.R. § 1.136(a)(1)(iv)(2007).

#### AFFIRMED-IN-PART

ack

cc:

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